

**CENTRAL ARIZONA PROJECT**  
**PROPOSED 2027-2032 RATE SCHEDULE**

May 1, 2026

**WATER RATES**  
 Units = \$/ acre-foot  
 (The Letter Designations in the Formulas Refer to the Rate Components Shown Below)

Water Volume (acre-feet)	825K	825K	825K	825K	825K	825K	825K
	2026	Firm 2027	Provi-sional 2028	2029	Advisory		
					2030	2031	2032
<b>Water Delivery Rate</b>							
Fixed O&M	175	185	193	199	210	216	227
"Big R"	49	53	56	59	62	65	68
Fixed OM&R Rate <sup>1</sup>	\$ 224	\$ 238	\$ 249	\$ 258	\$ 272	\$ 281	\$ 295
Pumping Energy Rate <sup>2</sup>	\$ 85	\$ 88	\$ 91	\$ 94	\$ 97	\$ 100	\$ 103
<b>Water Delivery Rate <sup>3</sup></b>	<b>\$ 309</b>	<b>\$ 326</b>	<b>\$ 340</b>	<b>\$ 352</b>	<b>\$ 369</b>	<b>\$ 381</b>	<b>\$ 398</b>

<b>Capital Charge <sup>4</sup></b>							
Full rate	\$ 67	\$ 64	\$ 65	\$ 62	\$ 60	\$ 58	\$ 56
Board applied taxes to Repayment	\$ (11)	\$ (6)	TBD	TBD	TBD	TBD	TBD
<b>Net Capital Charge</b>	<b>\$ 56</b>	<b>\$ 58</b>	<b>\$ 65</b>	<b>\$ 62</b>	<b>\$ 60</b>	<b>\$ 58</b>	<b>\$ 56</b>

**DIRECT UNDERGROUND WATER STORAGE**  
 Units = \$/acre-foot

	2026	Firm 2027	Provi-sional 2028	2029	Advisory		
					2030	2031	2032
<b>Underground Water Storage O&amp;M<sup>5</sup></b>							
Phoenix AMA	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Tucson AMA	15	15	15	15	15	15	15
<b>Underground Water Storage Capital Charge<sup>6</sup></b>							
Phoenix AMA	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Tucson AMA	9	9	9	9	9	9	9

**RECOVERY**  
 Units = \$/acre-foot

Recovery Rate <sup>7</sup>	2026	Firm 2027	Provi-sional 2028	2029	Advisory		
					2030	2031	2032
	\$ -	\$ 400	\$ 410	\$ 420	\$ 431	\$ 442	\$ 453

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**NOTES:**

- 1) Fixed OM&R rate consists of Fixed O&M and "Big R" (Water delivery capital spending, large extraordinary maintenance projects and bond debt service). Both components are reconciled to actual expenses and water volumes. Debt service on CAP's Water Delivery O&M Revenue Bonds, Series 2016 is about \$3.6 million annually and is included in "Big R". This rate is collected on all scheduled water whether delivered or not.
- 2) The pumping energy rate applies to all actual water volumes delivered as opposed to scheduled.
- 3) All contracts and subcontracts pay the Water Delivery Rate. When available, the Agricultural Settlement Pool only pays the energy rate in accordance with the Arizona Water Settlement Agreement. In the event Excess Water is available, charges would include the water delivery rate plus a capital charge equivalent.
- 4) For M&I use water, the Capital Charge is paid on full allocation regardless of amount delivered and is not included in delivery rates. The Capital Charge is impacted by the following:
  - 2026 - 1 cent of 2024/25 property taxes is being applied to the federal repayment, resulting in a reduction of \$11/AF.
  - 2027 - 1/2 cent of 2025/26 property taxes is being applied to the federal repayment, resulting in a reduction of \$6/AF.
- 5) Underground Water Storage O&M is paid by all direct recharge customers using CAP recharge sites.
- 6) Underground Water Storage Capital Charge is paid by all direct recharge customers except AWBA for M&I firming, the CAGR, municipal providers within the CAP service area and co-owners of CAWCD recharge facilities using no more than their share of capacity.
- 7) Paid per acre-foot recovered and is for recovery only. Separate charges for water delivery at the established water delivery rate.

Key Assumptions

- Hohokam CDR allocations are not ordered and therefore do not incur capital charges
- Water volume for Fixed OM&R includes water deliveries, take or pay, and CAGR long-term storage credit purchases
- Water volume for Energy includes water deliveries and CAGR long-term storage credit purchases

**FIXED OM&R RATE AT ALTERNATIVE WATER VOLUMES (For Planning Purposes Only)**

Units = \$/ acre-foot

<u>Water Volume (acre-foot)</u>	<b>Firm</b>		<b>Provi-</b>		<b>Advisory</b>		
	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	
<b>500,000</b>	\$ 392	\$ 411	\$ 426	\$ 451	\$ 464	\$ 487	
<b>600,000</b>	\$ 327	\$ 342	\$ 356	\$ 376	\$ 387	\$ 406	
<b>700,000</b>	\$ 281	\$ 293	\$ 305	\$ 322	\$ 331	\$ 348	
<b>800,000</b>	\$ 245	\$ 257	\$ 266	\$ 281	\$ 291	\$ 305	
<b>900,000</b>	\$ 218	\$ 229	\$ 238	\$ 250	\$ 258	\$ 271	